



**LINCOLN CHARTER TOWNSHIP**

**BERRIEN COUNTY, MICHIGAN**

**FINANCIAL STATEMENTS**

**Year ended March 31, 2005**

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>Lincoln Charter Township</b>	County <b>Berrien</b>
Audit Date <b>3/31/05</b>	Opinion Date <b>6/1/05</b>	Date Accountant Report Submitted to State: <b>11/15/05</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- |   |   |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).  |

**We have enclosed the following:**

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Scarpone &amp; Co., P.C.</b>			
Street Address <b>20 N. Second St., P.O. Box 1146</b>		City <b>Niles</b>	State <b>MI</b>
Accountant Signature <i>James J. Scarpone, CPA</i>		ZIP <b>49120</b>	Date <b>11/15/05</b>

**LINCOLN CHARTER TOWNSHIP**  
**BERRIEN COUNTY, MICHIGAN**

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**LINCOLN CHARTER TOWNSHIP**  
**BERRIEN COUNTY, MICHIGAN**

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**LINCOLN CHARTER TOWNSHIP  
BERRIEN COUNTY, MICHIGAN**

**TOWNSHIP BOARD AND OFFICIALS**

**Richard Stauffer - Supervisor**

**Sharon Geisler - Clerk**

**Terrie Smith - Treasurer**

**Brian Jewell - Trustee**

**Al Pscholka - Trustee**

**Marc Florian - Trustee**

**Deborah Peterson - Trustee**



**SCARPONE & CO., P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

June 1, 2005

Members of the Township Board  
Lincoln Charter Township  
Berrien County, Michigan

**INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying basic financial statements of Lincoln Charter Township as of March 31, 2005, and for the year then ended, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the management of Lincoln Charter Township. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable Assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Lincoln Charter Township as of March 31, 2005, and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining funds financial statements and individual fund schedules listed as other financial information in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Lincoln Charter Township. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Scarpone & Co., P.C.*

**LINCOLN CHARTER TOWNSHIP**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**March 31, 2005**

Lincoln Charter Township, a charter township located in Berrien County in the State of Michigan, is in its first year of implementing the provisions of Governmental Accounting Standards Board Statement 34 (GASB 34) with the enclosed basic financial statements. Management's Discussion and Analysis, a requirement of GASB 34, is intended to be the Lincoln Charter Township's Management's discussion and analysis of the financial results for the year ended March 31, 2005.

Generally accepted accounting principles (GAAP) according to GASB 34 requires the reporting of two types of financial statements: Government-Wide Financial Statements and Fund Financial Statements.

**Government-Wide Financial Statements:**

The Government-Wide financial statements are full accrual basis statements. They report all of the Township's assets and liabilities, both short term and long term, regardless if they are "currently available" or not. The statement of net assets and the statement of activities provide information about the activities of the Township as a whole, and therefore, present a longer-term view of the Township's financial status.

**Fund Financial Statements:**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Lincoln Charter Township, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

The fund level financial statements are reported on a modified accrual basis. Only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized to the extent that they are normally expected to be paid with current financial resources.

In the fund financial statements, purchased capital assets are reported as expenditures in the year of acquisition. No asset is reported. The issuance of debt is recorded as a financial resource. The current year's payments of principal and interest on long term obligations are reported as expenditures. Future year's debt obligations are not recorded.

# **LINCOLN CHARTER TOWNSHIP**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED**

**March 31, 2005**

### **FINANCIAL HIGHLIGHTS**

- \* Lincoln Charter Township's net assets overall increased by \$0.5 million, from \$28.8 million in 2003-2004 to \$29.3 million in 2004-2005. This increase largely was due to contributed capital for various fixed assets. The change in net assets due strictly from the results of operations was an overall decrease of \$189,434, with net assets of governmental activities increasing \$176,366 and net assets of business-type activities decreasing \$365,800.**
- \* During the year, total expenses from the fund financial statements were \$5.6 million, of which \$3.7 million were for governmental activities and \$1.9 million were for business-type activities. Last fiscal year, total expenses were \$5.1 million, of which \$3.3 were for governmental activities and \$1.8 million were for business-type activities.**
- \* During the year, total revenues from the fund financial statements were \$4.9 million, of which \$3.3 million were for governmental activities and \$1.6 million were for business-type activities. Last fiscal year, total revenues were \$5.0 million, of which \$3.3 were for governmental activities and \$1.7 million were for business-type activities**
- \* In accordance with the Water Service Agreement of 2003 with the City of St. Joseph, the Lake Michigan Shoreline Water and Sewage Treatment Authority (of which Lincoln Charter Township is a member), the Township is responsible for approximately 57% of the costs related to placing at least one elevated water tower in service within five years. The Township estimates to be in a financial position to make most of its required payments without a significant increase in its water rate structure.**
- \* The Township's sewer interceptor lines are in need of major repair and the Township is responsible for 53% of this cost.**



# LINCOLN CHARTER TOWNSHIP

## MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED

March 31, 2005

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following table shows that in the case of Lincoln Charter Township, assets exceed liabilities by \$29.3 million. This is the first year that the Township is applying GASB Statement No. 34; therefore, comparative data for the prior year is not available.

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets	\$ 3,371,174	\$ 9,250,306	\$ 12,621,480
Capital assets	6,806,354	37,002,702	43,809,056
Less, accumulated depreciation	(2,198,021)	(21,368,569)	(23,566,590)
	4,608,333	15,634,133	20,242,466
<b>TOTAL ASSETS</b>	<b>7,979,507</b>	<b>24,884,439</b>	<b>32,863,946</b>
<b>LIABILITIES</b>			
Current liabilities	420,634	66,207	486,841
Long-term liabilities	3,072,156	-	3,072,156
<b>TOTAL LIABILITIES</b>	<b>3,492,790</b>	<b>66,207</b>	<b>3,558,997</b>
<b>NET ASSETS</b>			
Investment in capital assets, net of related debt	1,245,705	15,634,133	16,879,838
Reserved	2,038,485	-	2,038,485
Unreserved	1,202,527	9,184,099	10,386,626
<b>TOTAL NET ASSETS</b>	<b>\$ 4,486,717</b>	<b>\$ 24,818,232</b>	<b>\$ 29,304,949</b>

By far the largest portion of Lincoln Charter Township's total net assets, \$16.9 million or 58% of the Township's net assets, reflects its investment in capital assets (e.g., land improvements, buildings, building improvements, vehicle, equipment, sewer lines and water mains), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Lincoln Charter Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$2.0 million or 7%, of the Township's net assets represents resources that are subject to external restrictions on how they must be used. The remaining 35%, or \$10.4 million, represents net assets that may be used to meet the government's ongoing obligations to citizens and creditors. Of these unreserved net assets, \$1.2 million are related to governmental activities and \$9.2 million to business activities.

**LINCOLN CHARTER TOWNSHIP**

**MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED**

**March 31, 2005**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - CONCLUDED**

For the year ended March 31, 2005, the Government-Wide results of operations were as follows:

**REVENUES**

**General revenues:**

Property taxes	\$ 1,513,634
State of Michigan aid, unrestricted	919,269
Other general revenues	605,977

**3,038,880**

**Operating grants:**

State of Michigan	4,723
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**Charges for services:**

General government	424,138
Public safety	11,040
Highways and streets	43,458
Sanitation and health	46,560
Recreation	1,000
Water and Sewer	1,405,315

<b>Total revenues</b>	<b>4,975,114</b>
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**EXPENDITURES**

General government	1,113,527
Public safety	1,136,329
Highways and streets	133,555
Sanitation and health	146,647
Recreation	120,970
Water and Sewer	1,982,723
Capital outlay (under capitalization threshold)	62,219
Interest on long-term debt	146,689
Depreciation	321,889

**5,164,548**

Contributed capital	670,000
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Change in net assets	480,566
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<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>28,824,383</b>
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<b>NET ASSETS, END OF YEAR</b>	<b>\$ 29,304,949</b>
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# LINCOLN CHARTER TOWNSHIP

## MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED

March 31, 2005

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### C. Net Investment in Capital Assets:

Lincoln Charter Township's investment in capital assets for its governmental and business-type activities as of March 31, 2005 was \$20,242,466 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, building improvements, vehicles, equipment, sewer lines and water mains. Net capital assets as of March 31, 2005 is as follows:

	Governmental Activities	Business-type Activities	Total
Land	\$ 783,458	\$ -	\$ 783,458
Land improvements	1,320,916	-	1,320,916
Buildings	2,696,969	-	2,696,969
Building improvements	108,690	-	108,690
Vehicles	1,438,007	-	1,438,007
Equipment	458,314	328,521	786,835
Sewer lines	-	28,000,137	28,000,137
Water mains	-	8,674,044	8,674,044
	6,806,354	37,002,702	43,809,056
Accumulated depreciation	(2,198,021)	(21,368,569)	(23,566,590)
Total	\$ 4,608,333	\$ 15,634,133	\$ 20,242,466

#### Debt Administration:

The Township made principal payments on bonded, long-term debt obligations and installment contracts that reduced the amount of the Township's long-term liabilities as follows:

	Principal Balance March 31, 2004	Additions	Principal Payments	Principal Balance March 31, 2005
1997 Fire Station Bonds	\$ 925,000	\$ -	\$ 75,000	\$ 850,000
1999 Library Bonds	2,350,000	-	125,000	2,225,000
Municipal Contract - Police	37,000	-	37,000	-
Municipal Contract - Land	150,000	-	30,000	120,000
Municipal Contract - Fire Truck	-	185,000	17,372	167,628
	\$ 3,275,000	\$ 185,000	\$ 284,372	\$ 3,362,628

# LINCOLN CHARTER TOWNSHIP

## MANAGEMENT'S DISCUSSION AND ANALYSIS-CONCLUDED

March 31, 2005

### GENERAL FUND BUDGET AND ACTUAL REVENUES & EXPENDITURES:

#### General Fund Expenditures Budget vs. Actual 5-Year history:

<u>Fiscal Year</u>	<u>Expenditures Final Budget</u>	<u>Expenditures Final - Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Variance Actual &amp; Final Budget</u>
2004-2005	\$ 1,206,185	\$ 1,097,872	\$ 108,313	8.90%
2003-2004	1,142,845	1,053,466	89,379	7.80%
2002-2003	1,089,965	1,001,416	88,549	8.10%
2001-2002	1,007,505	950,187	57,318	5.60%
2000-2001	944,055	854,745	89,310	9.40%
	\$ 5,390,555	\$ 4,957,686	\$ 432,869	

#### General Fund Revenue Budget vs. Actual 5-Year history:

<u>Fiscal Year</u>	<u>Revenues Final Budget</u>	<u>Revenues Final - Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Variance Actual &amp; Original Budget</u>
2004-2005	\$ 1,585,600	\$ 1,655,710	\$ 70,110	4.00%
2003-2004	1,664,230	1,635,786	(28,444)	(1.70%)
2002-2003	1,484,985	1,686,932	201,947	13.50%
2001-2002	1,673,260	1,629,056	(44,204)	(2.60%)
2000-2001	1,621,605	1,678,254	56,649	3.40%
	\$ 8,029,680	\$ 8,285,738	\$ 256,058	

#### Contacting the Township's Financial Management

This financial report is intended to provide our citizens and taxpayers with a general overview of the Township's finances. If you have any questions about this report or need additional information, please contact the Lincoln Charter Township for assistance.

# LINCOLN CHARTER TOWNSHIP

## STATEMENT OF NET ASSETS

March 31, 2005

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current Assets:			
Cash and cash equivalents	\$ 3,249,846	\$ 9,232,513	\$ 12,482,359
Taxes receivable	89,710	2,583	92,293
Accounts receivable	30,314	-	30,314
Accrued interest receivable	-	210	210
Special assessments receivable	-	15,000	15,000
Due from other governments	1,264	-	1,264
Other current assets	40	-	40
Total current assets	3,371,174	9,250,306	12,621,480
Noncurrent Assets:			
Capital assets	6,806,354	37,002,702	43,809,056
Less, accumulated depreciation	(2,198,021)	(21,368,569)	(23,566,590)
	4,608,333	15,634,133	20,242,466
<b>TOTAL ASSETS</b>	<b>\$ 7,979,507</b>	<b>\$ 24,884,439</b>	<b>\$ 32,863,946</b>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	\$ 54,150	\$ 66,207	\$ 120,357
Deposits	8,224	-	8,224
Bonds payable	290,472	-	290,472
Interest payable	59,430	-	59,430
Deferred revenue	8,358	-	8,358
Total current liabilities	420,634	66,207	486,841
Noncurrent Liabilities:			
Bonds payable	3,072,156	-	3,072,156
<b>TOTAL LIABILITIES</b>	<b>3,492,790</b>	<b>66,207</b>	<b>3,558,997</b>
<u>NET ASSETS</u>			
Investment in capital assets, net of related debt	1,245,705	15,634,133	16,879,838
Reserved for debt service	410,318	-	410,318
Reserved for capital projects	533,966	-	533,966
Reserved for special revenue	1,094,201	-	1,094,201
Unreserved	1,202,527	9,184,099	10,386,626
<b>TOTAL NET ASSETS</b>	<b>4,486,717</b>	<b>24,818,232</b>	<b>29,304,949</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 7,979,507</b>	<b>\$ 24,884,439</b>	<b>\$ 32,863,946</b>

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## STATEMENT OF ACTIVITIES

Year ended March 31, 2005

	Program Revenues			Net (Expense) Revenue		
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Donations, Grants and Assessments</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Governmental Activities:</b>						
General government	\$ 1,113,527	\$ 424,138	\$ -	\$ (689,389)	\$ -	\$ (689,389)
Public safety	1,136,329	11,040	2,488	(1,122,801)	-	(1,122,801)
Highways and streets	133,555	43,458	-	(90,097)	-	(90,097)
Sanitation and health	146,647	46,560	-	(100,087)	-	(100,087)
Recreation	120,970	1,000	1,485	(118,485)	-	(118,485)
Interest on long-term debt	146,689	-	-	(146,689)	-	(146,689)
Capital outlay (under threshold)	62,219	-	25,144	(37,075)	-	(37,075)
Depreciation	321,889	-	-	(321,889)	-	(321,889)
<b>Total Governmental Activities</b>	<b>\$ 3,181,825</b>	<b>\$ 526,196</b>	<b>\$ 29,117</b>	<b>\$ (2,626,512)</b>	<b>-</b>	<b>(2,626,512)</b>
<b>Business-Type Activities:</b>						
Water and Sewer	1,982,723	1,405,315	-	-	(577,408)	(577,408)
<b>Total Primary Government</b>	<b>5,164,548</b>	<b>1,931,511</b>	<b>29,117</b>	<b>(2,626,512)</b>	<b>(577,408)</b>	<b>(3,203,921)</b>
<b>General Revenues:</b>						
Property taxes levied for general purposes				381,560	-	381,560
Property taxes levied for debt service				416,709	-	416,709
Property taxes levied for police services				715,365	-	715,365
Administration fees and delinquent taxes				150,567	-	150,567
Other taxes				16,556	-	16,556
State of Michigan aid, unrestricted				919,269	-	919,269
Interest and investment earnings				37,243	154,800	192,043
Cable franchise				117,796	-	117,796
Other revenues				47,813	56,808	104,621
<b>Total general revenues</b>				<b>2,802,878</b>	<b>211,608</b>	<b>3,014,486</b>
<b>Contributed capital</b>				<b>-</b>	<b>670,000</b>	<b>670,000</b>
<b>Change in Net Assets</b>				<b>176,366</b>	<b>304,200</b>	<b>480,566</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>				<b>4,310,351</b>	<b>24,514,032</b>	<b>28,824,383</b>
<b>NET ASSETS, END OF YEAR</b>				<b>\$ 4,486,717</b>	<b>\$ 24,818,232</b>	<b>\$ 29,304,949</b>

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## BALANCE SHEET GOVERNMENTAL FUNDS

March 31, 2005

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 1,197,066	\$ 2,052,780	\$ 3,249,846
Taxes receivable	23,330	66,380	89,710
Accounts receivable	29,074	1,240	30,314
Intergovernmental receivable	1,264	-	1,264
Due from other funds	437	9,154	9,591
<b>TOTAL ASSETS</b>	<b>\$ 1,251,171</b>	<b>\$ 2,129,554</b>	<b>\$ 3,380,725</b>
 <b><u>LIABILITIES</u></b>			
Accounts payable	\$ 40,420	\$ 13,730	\$ 54,150
Deposits	8,224	-	8,224
Due to other funds	-	9,551	9,551
Deferred revenue	-	8,358	8,358
<b>TOTAL LIABILITIES</b>	<b>48,644</b>	<b>31,639</b>	<b>80,283</b>
 <b><u>FUND BALANCES</u></b>			
Reserved for special revenue	-	1,094,201	1,094,201
Reserved for debt service	-	469,748	469,748
Reserved for capital projects	-	533,966	533,966
Unreserved:			
General Fund	1,202,527	-	1,202,527
<b>TOTAL FUND BALANCES</b>	<b>1,202,527</b>	<b>2,097,915</b>	<b>3,300,442</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,251,171</b>	<b>\$ 2,129,554</b>	<b>\$ 3,380,725</b>

See accompanying notes to basic financial statements.

**LINCOLN CHARTER TOWNSHIP**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES**

**March 31, 2005**

**TOTAL FUND BALANCES-GOVERNMENTAL FUNDS**

**\$ 3,300,442**

**Amounts reported for governmental activities on the statement  
of net assets are different as follows:**

**Capital assets used in governmental activities are not financial  
resources and, therefore, are not reported in the governmental funds:**

**Cost of capital assets 6,806,354  
Less, accumulated depreciation (2,198,021)**

**4,608,333**

**Long term liabilities are not due and payable in the current  
period and are therefore not reported in the governmental funds:**

**Bonds payable**

**(3,362,628)**

**Accrued interest payable is not recorded as a liability in the  
governmental funds.**

**(59,430)**

**NET ASSETS OF GOVERNMENTAL ACTIVITIES**

**\$ 4,486,717**

**See accompanying notes to basic financial statements.**



# LINCOLN CHARTER TOWNSHIP

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

Year ended March 31, 2005

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>			
Property	\$ 381,560	\$ 1,132,073	\$ 1,513,633
Administration fees	150,567	-	150,567
Other taxes	16,556	-	16,556
Licenses and permits	3,028	406,398	409,426
State sources	919,269	2,483	921,752
Cable franchise	117,796	-	117,796
Assessments	-	24,394	24,394
Interest	32,594	4,650	37,244
Charges for services	14,037	78,448	92,485
Lot sales	-	24,285	24,285
Donations	-	2,240	2,240
Miscellaneous	20,303	27,510	47,813
<b>TOTAL REVENUES</b>	<u>1,655,710</u>	<u>1,702,481</u>	<u>3,358,191</u>
<b>EXPENDITURES:</b>			
General government	755,258	362,284	1,117,542
Public safety	162,703	1,006,603	1,169,306
Highways and streets	99,687	33,868	133,555
Sanitation and health	80,224	66,423	146,647
Recreation	-	120,970	120,970
Capital projects	-	609,613	609,613
Debt service	-	380,655	380,655
<b>TOTAL EXPENDITURES</b>	<u>1,097,872</u>	<u>2,580,416</u>	<u>3,678,288</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>557,838</u>	<u>(877,935)</u>	<u>(320,097)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from borrowing	-	185,000	185,000
Operating transfers in	6,405	613,905	620,310
Operating transfers out	(613,905)	(6,405)	(620,310)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(607,500)</u>	<u>792,500</u>	<u>185,000</u>
<b>DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>(49,662)</u>	<u>(85,435)</u>	<u>(135,097)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>1,252,189</u>	<u>2,183,350</u>	<u>3,435,539</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 1,202,527</u>	<u>\$ 2,097,915</u>	<u>\$ 3,300,442</u>

See accompanying notes to basic financial statements.

**LINCOLN CHARTER TOWNSHIP**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

**Year ended March 31, 2005**

**Net Change in Fund Balances - Total Governmental Funds** \$ **(135,097)**

**Amounts reported for governmental activities on the statement  
of activities are different as follows:**

**Governmental funds report capital outlays as expenditures.  
However, on the statement of activities, the cost of those  
assets is allocated over their estimated useful lives as  
depreciation expense. This is the amount by which  
depreciation exceeded capital outlay in the current year:**

<b>Depreciation</b>	<b>\$ (321,889)</b>	
<b>Capital outlay-over threshold</b>	<b>531,962</b>	<b>210,073</b>

**Proceeds of principal from an installment contract is a receipt in the  
governmental funds, but the receipt increases long-term liabilities on  
the statement of net assets. This is the amount of proceeds  
reported as an other financing source in the governmental funds.** **(185,000)**

**Repayment of bond principal is an expenditure in the governmental  
funds, but the repayment reduces long-term liabilities on the  
statement of net assets. This is the amount of repayments  
reported as expenditures in the governmental funds.** **284,372**

**Interest is reported as an expenditure when due in the  
governmental funds, but is accrued on outstanding debt on  
the statement of activities.** **2,018**

**CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES** \$ **176,366**

**See accompanying notes to basic financial statements.**

# LINCOLN CHARTER TOWNSHIP

## PROPRIETARY FUNDS

### STATEMENT OF NET ASSETS

March 31, 2005

<u>ASSETS</u>	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Total</u>
Cash and cash equivalents	\$ 3,376,166	\$ 5,856,347	\$ 9,232,513
Taxes receivable	1,941	642	2,583
Special assessments receivable	-	15,000	15,000
Accrued interest receivable	-	210	210
	3,378,107	5,872,199	9,250,306
Fixed assets:			
Sewer lines	28,000,137	-	28,000,137
Water mains	-	8,674,044	8,674,044
Equipment	314,415	14,106	328,521
	28,314,552	8,688,150	37,002,702
Less, accumulated depreciation	(16,866,812)	(4,501,757)	(21,368,569)
	11,447,740	4,186,393	15,634,133
<b>TOTAL ASSETS</b>	<b>\$ 14,825,847</b>	<b>\$ 10,058,592</b>	<b>\$ 24,884,439</b>
 <u>LIABILITIES AND NET ASSETS</u>			
<b>LIABILITIES:</b>			
Accounts payable	\$ 53,357	\$ 12,850	\$ 66,207
<b>NET ASSETS:</b>			
Investment in Capital Assets-			
Net of Related Debt	11,447,740	4,186,393	15,634,133
Unrestricted	3,324,750	5,859,349	9,184,099
<b>TOTAL NET ASSETS</b>	<b>14,772,490</b>	<b>10,045,742</b>	<b>24,818,232</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 14,825,847</b>	<b>\$ 10,058,592</b>	<b>\$ 24,884,439</b>

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## PROPRIETARY FUNDS

### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL

Year ended March 31, 2005

	<u>Sewer Fund</u>		<u>Water Fund</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<b>REVENUES:</b>				
Charges for service	\$ 901,300	\$ 916,561	\$ 451,850	\$ 488,754
Interest and penalties on taxes and special assessments	500	18	-	1,451
Interest	26,300	53,343	64,000	99,988
Benefit fees	-	8,000	-	23,333
Miscellaneous	2,000	475	25,000	25,000
<b>TOTAL REVENUES</b>	<b>930,100</b>	<b>978,397</b>	<b>540,850</b>	<b>638,526</b>
<b>EXPENSES:</b>				
Cost of service	675,110	698,221	43,110	43,107
Contracted services	11,375	7,603	8,375	28,069
Professional fees	5,100	7,931	9,100	6,804
Depreciation	761,580	742,355	252,685	218,874
Salaries and wages	83,260	85,860	17,225	18,547
Payroll taxes and employee benefits	35,615	35,551	3,620	2,954
Repairs and maintenance	107,665	10,080	20,000	17,459
Utilities	15,455	15,155	1,250	1,374
Insurance	10,625	13,608	8,000	6,098
Office supplies and postage	7,715	7,795	1,610	983
Miscellaneous	11,500	13,570	25	725
<b>TOTAL EXPENSES</b>	<b>1,725,000</b>	<b>1,637,729</b>	<b>365,000</b>	<b>344,994</b>
<b>NET INCOME (LOSS)</b>	<b>(794,900)</b>	<b>(659,332)</b>	<b>175,850</b>	<b>293,532</b>
Contributed capital	-	510,000	-	160,000
<b>CHANGE IN NET ASSETS</b>	<b>(794,900)</b>	<b>(149,332)</b>	<b>175,850</b>	<b>453,532</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>14,921,822</b>	<b>14,921,822</b>	<b>9,592,210</b>	<b>9,592,210</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 14,126,922</b>	<b>\$ 14,772,490</b>	<b>\$ 9,768,060</b>	<b>\$ 10,045,742</b>

See accompanying notes to basic financial statements.

	<u>Budget</u>	<u>Totals</u> <u>Actual</u>
\$	1,353,150	\$ 1,405,315
	500	1,469
	90,300	153,331
	-	31,333
	27,000	25,475
	1,470,950	1,616,923
	718,220	741,328
	19,750	35,672
	14,200	14,735
	1,014,265	961,229
	100,485	104,407
	39,235	38,505
	127,665	27,539
	16,705	16,529
	18,625	19,706
	9,325	8,778
	11,525	14,295
	2,090,000	1,982,723
	(619,050)	(365,800)
	-	670,000
	(619,050)	304,200
	24,514,032	24,514,032
\$	23,894,982	\$ 24,818,232

**LINCOLN CHARTER TOWNSHIP**

**PROPRIETARY FUNDS**

**STATEMENT OF CASH FLOWS**

**Year ended March 31, 2005**

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income (loss)	\$ (659,332)	\$ 293,532	\$ (365,800)
Adjustments to reconcile net income (loss) to net cash provided from (used by) operating activities:			
Depreciation	742,355	218,874	961,229
Changes in assets and liabilities:			
Decrease (increase) in taxes receivable	494	(428)	66
Decrease in special assessments receivable	400	8,660	9,060
Decrease in accrued interest receivable	6	203	209
Increase in accounts payable	7,029	12,290	19,319
	<u>90,952</u>	<u>533,131</u>	<u>624,083</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchases of fixed assets	<u>(517,503)</u>	<u>(441,488)</u>	<u>(958,991)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Contributed capital	<u>510,000</u>	<u>160,000</u>	<u>670,000</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>83,449</u>	<u>251,643</u>	<u>335,092</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>3,292,717</u>	<u>5,604,704</u>	<u>8,897,421</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 3,376,166</u>	<u>\$ 5,856,347</u>	<u>\$ 9,232,513</u>

See accompanying notes to basic financial statements.

**LINCOLN CHARTER TOWNSHIP**

**FIDUCIARY FUNDS**

**STATEMENT OF NET ASSETS**

**March 31, 2005**

	<b>Trust and Agency <u>Fund</u></b>	<b>Tax Collection <u>Fund</u></b>	<b><u>Total</u></b>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 720	\$ 40	\$ 760
<b><u>LIABILITIES</u></b>			
Due to other funds	\$ -	\$ 40	\$ 40
Due to other governments	720	-	720
	\$ 720	\$ 40	\$ 760

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## FIDUCIARY FUNDS

### COMBINING STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES

Year ended March 31, 2005

#### TRUST AND AGENCY FUND

	Balance March 31, <u>2004</u>	<u>Additions</u>	<u>Deductions</u>	Balance March 31, <u>2005</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 358	\$ 694,549	\$ 694,187	\$ 720
 <u>LIABILITIES</u>				
Accounts payable	\$ -	\$ 235	\$ 235	\$ -
Due to other funds	-	77,934	77,934	-
Due to other governments	231	35,054	34,565	720
Payroll taxes, withholdings, and employee benefits	127	581,326	581,453	-
	\$ -	\$ 694,549	\$ 694,187	\$ 720

#### TAX COLLECTION FUND

	Balance March 31, <u>2004</u>	<u>Additions</u>	<u>Deductions</u>	Balance March 31, <u>2005</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 40	\$ 14,825,190	\$ 14,825,190	\$ 40
 <u>LIABILITIES</u>				
Accounts payable	\$ -	\$ 23,424	\$ 23,424	\$ -
Due to other funds	40	1,684,663	1,684,663	40
Due to other governments	-	13,117,103	13,117,103	-
	\$ 40	\$ 14,825,190	\$ 14,825,190	\$ 40

See accompanying notes to basic financial statements.



**LINCOLN CHARTER TOWNSHIP**

**FIDUCIARY FUNDS**

**COMBINING STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES - CONCLUDED**

**Year ended March 31, 2005**

**TOTALS - FIDUCIARY FUNDS**

	<b>Balance March 31, <u>2004</u></b>	<b><u>Additions</u></b>	<b><u>Deductions</u></b>	<b>Balance March 31, <u>2005</u></b>
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 398	\$ 15,519,739	\$ 15,519,377	\$ 760
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ -	\$ 23,659	\$ 23,659	\$ -
Due to other funds	40	1,762,597	1,762,597	40
Due to other governments	231	13,152,157	13,151,668	720
Payroll taxes, withholdings, and employee benefits	127	581,326	581,453	-
	\$ 40	\$ 15,519,739	\$ 15,519,377	\$ 760

See accompanying notes to basic financial statements.

**LINCOLN CHARTER TOWNSHIP**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

Year ended March 31, 2005

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FUND FINANCIAL STATEMENT PRESENTATION:**

The accounting policies of Lincoln Charter Township ("Township") conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. A summary of the significant policies adopted by the Township are as follows:

**REPORTING ENTITY:**

The Township is a municipal corporation governed by an elected Supervisor and a six-member board. As required by generally accepted accounting principles, these financial statements present Lincoln Charter Township as the primary government. The Tax Collection Fund and the Trust & Agency Fund are included in this report due to the fiduciary responsibility that the Township exercises over these respective funds.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Township's government wide activities consist of both governmental activities and business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, intergovernmental payments, and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**LINCOLN CHARTER TOWNSHIP**

**NOTES TO BASIC FINANCIAL STATEMENTS-CONTINUED**

**Year ended March 31, 2005**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FUND FINANCIAL STATEMENT PRESENTATION:**

**Government-Wide Statements** - The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants, categorical aid and similar items are recognized as revenue as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

**Fund Based Statements** - Governmental fund financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as it is both measurable and available. Revenues are considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures related to compensated absences and severance pay, are recorded only when payment is due.

Property taxes, unrestricted state aid, intergovernmental grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

The fiduciary fund statement is also reported using the economic resources measurement focus and the accrual basis of accounting.

The Township reports the following major governmental fund:

**General Fund** - The General Fund is the general operating fund of the Township and accounts for all revenues and expenditures of the Township not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

Additionally, the Township reports the following fund types:

**Special Revenue Funds** - The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The Township maintains full control of these funds.

# **LINCOLN CHARTER TOWNSHIP**

## **NOTES TO BASIC FINANCIAL STATEMENTS-CONTINUED**

**Year ended March 31, 2005**

### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:**

#### **MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FUND FINANCIAL STATEMENT PRESENTATION - CONCLUDED:**

**Capital Projects Funds - The Capital Projects Funds are used to account for the accumulation of resources appropriated for capital outlay expenditures.**

**Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.**

**Proprietary Fund Type - The Proprietary Funds account for Township operations that are financed and operated in a manner similar to private business enterprise, where the intent of the Township board is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.**

**Fiduciary Fund Type - The Fiduciary Fund is used to account for assets held by the Township in a trustee capacity or as an agent. Fiduciary Fund net assets and results of operations are not included in the Government-Wide financial statements. Fiduciary Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Township presently maintains a Tax Collection Fund and a Trust & Agency Fund.**

#### **BUDGETS AND BUDGETARY ACCOUNTING:**

**The Township Board follows the following procedures in establishing the budgetary data reflected in the basic financial statements:**

- 1. Prior to March 31, proposed operating budgets by fund are submitted to the Township Board for the fiscal year commencing April 1.**
- 2. A public hearing is conducted to obtain taxpayer comments.**
- 3. The operating budgets are legally enacted through passage of a board resolution.**
- 4. Any budget revisions must be approved by the Township Board.**
- 5. Budgets are adopted for the respective fund types using the basis of accounting described above.**

#### **COMPENSATING ABSENCES:**

**The Township's personnel policies do not permit the accumulation and carryforward of vacation and sick days. Accordingly, no accrual has been recorded by the Township at March 31, 2005 for compensated absences, since such amounts are not material.**

**LINCOLN CHARTER TOWNSHIP**

**NOTES TO BASIC FINANCIAL STATEMENTS-CONTINUED**

**Year ended March 31, 2005**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:**

**CASH AND CASH EQUIVALENTS:**

Cash and cash equivalents are recorded at cost and include cash investments with original maturities of three months or less.

**INVESTMENTS:**

Investments are recorded at cost which approximates market value:

The types of investments authorized by resolution of the Board are as follows:

Bonds, securities and other obligations of the United States, or an agency of the United States, the principal and interest of which are fully guaranteed by the United States.

Certificates of deposit, savings accounts, deposits accounts or depository receipts of banks, savings and loan associations, or credit unions which are insured and which meet all criteria as a depository of public funds.

Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and maturing no more than 270 days after date of purchase.

United States government or federal agency obligation repurchase agreements.

Bankers' acceptances of United States banks.

Investment pools organized under the surplus funds investment pool act, 1982, PA 367, 129.111 to 129.118.

Mutual funds registered under the investment company act of 1940, title I of chapter 686.

**LINCOLN CHARTER TOWNSHIP**

**NOTES TO BASIC FINANCIAL STATEMENTS-CONTINUED**

**Year ended March 31, 2005**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONCLUDED:**

**ESTIMATES:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**TAX INFORMATION:**

The Township property tax is levied each December 1, based on the state taxable valuation of property located in the Township as of the preceding December 31.

The Township's policy is to recognize revenues from the current tax levy in the year of levy.

The 2004 state taxable value of Lincoln Charter Township amounted to approximately \$468,000,000 on which ad valorem taxes levied for Township operating purposes consisted of .79290 mills or approximately \$371,000. Additionally, taxes levied for police operations consisted of 1.48650 mills or approximately \$696,000, and debt retirement consisted of .866 mills or approximately \$405,000.

**CAPITAL ASSETS:**

Capital assets, which include land, buildings, equipment, and vehicles are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an individual cost of \$1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset life are not capitalized.

Buildings, equipment, and vehicles are depreciated using the straight-line method of depreciation over the following useful lives:

Land improvements	20 years
Buildings	40 years
Building improvements	10-20 years
Vehicles	3-10 years
Equipment	3-10 years

# LINCOLN CHARTER TOWNSHIP

## NOTES TO BASIC FINANCIAL STATEMENTS-CONTINUED

Year ended March 31, 2005

### NOTE B - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents consisted of the following at March 31, 2005:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total Primary Government</u>
Deposits in financial institutions:			
Cash	\$ 12,481,859	\$ 760	\$ 12,482,619
Petty cash	500	-	500
	<u>\$ 12,482,359</u>	<u>\$ 760</u>	<u>\$ 12,483,119</u>

The above deposits in financial institutions of \$12,482,619 were reflected in the accounts of the Township's financial institutions (without recognition of checks written but not yet cleared, or of deposits in transit) at \$12,277,287. Of this amount, approximately \$400,000 was covered by federal depository insurance coverage and \$11,877,287 was uninsured and uncollateralized.

### NOTE C - EMPLOYEE BENEFIT PLAN:

The Township has a contributory pension plan covering substantially all employees. The plan is administered by Burnham & Flower Agency, Inc. Contributions are accrued and funded on a current basis. Employee rights are vested at the time of contribution. Employer pension expenditures amounted to \$142,028 for the year ended March 31, 2005.

### NOTE D - SEGMENT INFORMATION - ENTERPRISE FUNDS:

The Township maintains two Enterprise Funds which are intended to be self-supporting through user fees charges for services to the general public. Financial segment information as of and for the year ended March 31, 2005 is presented below:

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Total</u>
Operating revenue	\$ 978,397	\$ 638,526	\$ 1,616,923
Depreciation expense	742,355	218,874	961,229
Net income (loss)	(659,332)	293,532	(365,800)
Current capital contributions	510,000	160,000	670,000
Fixed asset additions	517,503	441,488	958,991
Net working capital	3,324,750	5,859,349	9,184,099
Total assets	14,825,847	10,058,592	24,884,439
Total net assets	14,772,490	10,045,742	24,818,232

# LINCOLN CHARTER TOWNSHIP

## NOTES TO BASIC FINANCIAL STATEMENTS-CONCLUDED

Year ended March 31, 2005

### NOTE E - CAPITAL ASSETS:

Capital asset activity of the Township's Governmental activities for the year ended March 31, 2005 was as follows:

	Balance March 31, 2004	Additions	Deletions	Balance March 31, 2005
Assets not being depreciated:				
Land	\$ 783,458	\$ -	\$ -	\$ 783,458
Capital assets being depreciated:				
Land improvements	1,244,788	76,128	-	1,320,916
Buildings	2,696,969	-	-	2,696,969
Building improvements	108,690	-	-	108,690
Vehicles	1,001,046	436,961	-	1,438,007
Equipment	439,441	18,873	-	458,314
	5,490,934	531,962	-	6,022,896
Accumulated depreciation:				
Land improvements	610,192	54,918	-	665,110
Buildings	701,915	70,379	-	772,294
Equipment	25,771	5,669	-	31,440
Vehicles	311,415	149,962	-	461,377
Equipment	226,839	40,961	-	267,800
	1,876,132	321,889	-	2,198,021
Net capital assets being depreciated	3,614,802	210,073	-	3,824,875
Net capital assets	\$ 4,398,260	\$ 210,073	\$ -	\$ 4,608,333



# LINCOLN CHARTER TOWNSHIP

## NOTES TO BASIC FINANCIAL STATEMENTS-CONTINUED

Year ended March 31, 2005

### NOTE F - GENERAL LONG-TERM DEBT:

General long-term debt consisted of the following at March 31, 2005:

2.78% municipal purchase contract payable to Bank One Leasing Corporation, payable in annual installments of \$19,944 including interest, final payment due May, 2009	\$ 167,628
1.7% - 3.2% municipal purchase contract payable to Horizon Bank, payable in annual installments of \$30,000 plus interest, final payment due November, 2008	120,000
4.6% - 5.3% Unlimited Tax General Obligation Fire Station Bonds, with annual principal payments of \$75,000 to \$150,000 and semi-annual interest payments, final maturity May, 2012	850,000
4.0% - 4.3% Unlimited Tax General Obligation Library Bonds, with annual principal payments of \$125,000 to \$325,000 and semi-annual interest payments, final maturity May, 2014	2,225,000
	\$ 3,362,628

The principal reductions of general long-term debt for each of the next five years ending March 31, are as follows:

2006	\$ 290,472
2007	291,465
2008	342,486
2009	368,535
2010	319,670
Thereafter	1,750,000
	\$ 3,362,628

The following is a summary of the changes in general long-term debt for the year ended March 31, 2005:

	Balance March 31, 2004	Additions	Deductions	Balance March 31, 2005
Bonds payable	\$ 3,275,000	\$ -	\$ 200,000	\$ 3,075,000
Notes payable	187,000	185,000	84,372	287,628
	\$ 3,462,000	\$ 185,000	\$ 284,372	\$ 3,362,628

**REQUIRED SUPPLEMENTAL INFORMATION**

**LINCOLN CHARTER TOWNSHIP**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**

Year ended March 31, 2005

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>REVENUES:</b>				
Property taxes	\$ 363,000	\$ 363,000	\$ 381,560	\$ 18,560
Administration fees	136,000	136,000	150,567	14,567
Other taxes	3,500	3,500	16,556	13,056
Licenses and permits	1,000	1,000	3,028	2,028
State sources	945,000	945,000	919,269	(25,731)
Cable franchise	105,000	105,000	117,796	12,796
Interest income	14,500	14,500	32,594	18,094
Charges for services	3,600	3,600	14,037	10,437
Miscellaneous	14,000	14,000	20,303	6,303
Operating transfers-in	12,430	12,430	6,405	(6,025)
	<u>1,598,030</u>	<u>1,598,030</u>	<u>1,662,115</u>	<u>64,085</u>
<b>EXPENDITURES:</b>				
General government	741,595	803,480	755,258	48,222
Public safety	156,140	215,100	162,703	52,397
Highways and streets	91,750	107,380	99,687	7,693
Sanitation and health	80,225	80,225	80,224	1
Operating transfers-out	599,905	613,905	613,905	-
<b>TOTAL EXPENDITURES</b>	<u>1,669,615</u>	<u>1,820,090</u>	<u>1,711,777</u>	<u>108,313</u>
<b>EXCESS (DEFICIENCY) OF</b>				
<b>REVENUES OVER EXPENDITURES</b>	<u>(71,585)</u>	<u>(222,060)</u>	<u>(49,662)</u>	<u>172,398</u>
<b>FUND BALANCE,</b>				
<b>BEGINNING OF YEAR</b>	<u>1,252,189</u>	<u>1,252,189</u>	<u>1,252,189</u>	<u>-</u>
<b>FUND BALANCE,</b>				
<b>END OF YEAR</b>	<u>\$ 1,180,604</u>	<u>\$ 1,030,129</u>	<u>\$ 1,202,527</u>	<u>\$ 172,398</u>

See accompanying notes to basic financial statements.

**LINCOLN CHARTER TOWNSHIP**  
**COMBINED BALANCE SHEETS**  
**NONMAJOR GOVERNMENTAL FUNDS**

March 31, 2005

<u>ASSETS</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
Cash and cash equivalents	\$ 1,068,961	\$ 448,199	\$ 535,620	\$ 2,052,780
Taxes receivable	35,140	21,549	9,691	66,380
Accounts receivable and other	1,240	-	-	1,240
Due from other funds	-	-	9,154	9,154
<b>TOTAL ASSETS</b>	<b>\$ 1,105,341</b>	<b>\$ 469,748</b>	<b>\$ 554,465</b>	<b>\$ 2,129,554</b>
 <b><u>LIABILITIES AND FUND EQUITY</u></b>				
Accounts payable	\$ 11,140	\$ -	\$ 2,590	\$ 13,730
Due to other funds	-	-	9,551	9,551
Deferred revenue	-	-	8,358	8,358
<b>TOTAL LIABILITIES</b>	<b>11,140</b>	<b>-</b>	<b>20,499</b>	<b>31,639</b>
<b>TOTAL FUND EQUITY</b>	<b>1,094,201</b>	<b>469,748</b>	<b>533,966</b>	<b>2,097,915</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,105,341</b>	<b>\$ 469,748</b>	<b>\$ 554,465</b>	<b>\$ 2,129,554</b>

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL NONMAJOR GOVERNMENTAL FUNDS

Year ended March 31, 2005

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
<b>REVENUES:</b>				
Property and other taxes	\$ 715,365	\$ 416,708	\$ -	\$ 1,132,073
Licenses and permits	406,398	-	-	406,398
State sources	2,483	-	-	2,483
Assessments	-	-	24,394	24,394
Interest	3,489	608	553	4,650
Charges for service	78,448	-	-	78,448
Lot sales	24,285	-	-	24,285
Donations	1,490	-	750	2,240
Miscellaneous	27,510	-	-	27,510
	<u>1,259,468</u>	<u>417,316</u>	<u>25,697</u>	<u>1,702,481</u>
<b>EXPENDITURES:</b>				
General government	362,284	-	-	362,284
Public safety	1,006,603	-	-	1,006,603
Highways and streets	33,868	-	-	33,868
Sanitation and health	66,423	-	-	66,423
Recreation	120,970	-	-	120,970
Capital projects	-	-	609,613	609,613
Debt service	-	380,655	-	380,655
	<u>1,590,148</u>	<u>380,655</u>	<u>609,613</u>	<u>2,580,416</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(330,680)</u>	<u>36,661</u>	<u>(583,916)</u>	<u>(877,935)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from bank borrowing	-	-	185,000	185,000
Operating transfers in	413,905	-	200,000	613,905
Operating transfers out	(6,008)	-	(397)	(6,405)
	<u>407,897</u>	<u>-</u>	<u>384,603</u>	<u>792,500</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>77,217</u>	<u>36,661</u>	<u>(199,313)</u>	<u>(85,435)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>1,016,984</u>	<u>433,087</u>	<u>733,279</u>	<u>2,183,350</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 1,094,201</u>	<u>\$ 469,748</u>	<u>\$ 533,966</u>	<u>\$ 2,097,915</u>

See accompanying notes to basic financial statements.

**OTHER SUPPLEMENTAL INFORMATION**

**LINCOLN CHARTER TOWNSHIP**

**SPECIAL REVENUE FUNDS**

**COMBINING BALANCE SHEETS**

**March 31, 2005**

	<u>Parks</u>	<u>Cemetery</u>	<u>Police</u>	<u>Street Lighting</u>	<u>Building</u>	<u>Total</u>
<b><u>ASSETS</u></b>						
Cash and cash equivalents	\$ 6,837	\$ 77,469	\$ 777,885	\$ 56,309	\$ 150,461	\$ 1,068,961
Taxes receivable	-	-	34,380	760	-	35,140
Accounts receivable	-	-	1,240	-	-	1,240
<b>TOTAL ASSETS</b>	<b>\$ 6,837</b>	<b>\$ 77,469</b>	<b>\$ 813,505</b>	<b>\$ 57,069</b>	<b>\$ 150,461</b>	<b>\$ 1,105,341</b>
 <b><u>LIABILITIES AND FUND EQUITY</u></b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 5,264	\$ 81	\$ 3,586	\$ -	\$ 2,209	\$ 11,140
<b>FUND EQUITY</b>						
Fund Balances	1,573	77,388	809,919	57,069	148,252	1,094,201
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 6,837</b>	<b>\$ 77,469</b>	<b>\$ 813,505</b>	<b>\$ 57,069</b>	<b>\$ 150,461</b>	<b>\$ 1,105,341</b>

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## SPECIAL REVENUE FUNDS

### COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

Year ended March 31, 2005

	<u>Parks</u>		<u>Cemetery</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<b>REVENUES:</b>				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
State sources	-	-	-	-
Interest	350	110	200	284
Charges for service	2,860	1,000	16,000	22,275
Lot sales	-	-	17,000	24,285
Donations	1,000	1,485	-	-
Miscellaneous	1,000	-	-	-
<b>TOTAL REVENUES</b>	<b>5,210</b>	<b>2,595</b>	<b>33,200</b>	<b>46,844</b>
<b>EXPENDITURES:</b>				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation and health	-	-	70,975	66,423
Recreation	122,880	120,970	-	-
<b>TOTAL EXPENDITURES</b>	<b>122,880</b>	<b>120,970</b>	<b>70,975</b>	<b>66,423</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(117,670)</b>	<b>(118,375)</b>	<b>(37,775)</b>	<b>(19,579)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	114,595	114,595	15,000	15,000
Operating transfers out	-	-	-	-
	<b>114,595</b>	<b>114,595</b>	<b>15,000</b>	<b>15,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(3,075)</b>	<b>(3,780)</b>	<b>(22,775)</b>	<b>(4,579)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>5,353</b>	<b>5,353</b>	<b>81,967</b>	<b>81,967</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 2,278</b>	<b>\$ 1,573</b>	<b>\$ 59,192</b>	<b>\$ 77,388</b>

See accompanying notes to basic financial statements.



<u>Police</u>		<u>Street Lighting</u>		<u>Building</u>		<u>Totals</u>	
<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
\$ 683,000	\$ 715,365	\$ -	\$ -	\$ -	\$ -	\$ 683,000	\$ 715,365
2,800	6,995	-	-	331,240	399,403	334,040	406,398
-	2,483	-	-	-	-	-	2,483
2,100	2,269	150	221	360	605	3,160	3,489
2,200	4,045	36,000	43,458	6,400	7,670	63,460	78,448
-	-	-	-	-	-	17,000	24,285
-	5	-	-	-	-	-	1,490
21,000	27,510	-	-	-	-	22,000	27,510
711,100	758,672	36,150	43,679	338,000	407,678	1,122,660	1,259,468
-	-	-	-	364,570	362,284	364,570	362,284
1,014,410	1,006,603	-	-	-	-	1,014,410	1,006,603
-	-	36,000	33,868	-	-	36,000	33,868
-	-	-	-	-	-	70,975	66,423
-	-	-	-	-	-	122,880	120,970
1,014,410	1,006,603	36,000	33,868	364,570	362,284	1,608,835	1,590,148
(303,310)	(247,931)	150	9,811	(26,570)	45,394	(486,175)	(330,680)
284,310	284,310	-	-	-	-	413,905	413,905
-	-	-	-	(8,430)	(6,008)	(8,430)	(6,008)
284,310	284,310	-	-	(8,430)	(6,008)	405,475	407,897
(19,000)	36,379	150	9,811	(35,000)	39,386	(80,700)	77,217
773,540	773,540	47,258	47,258	108,866	108,866	1,014,461	1,016,984
\$ 754,540	\$ 809,919	\$ 47,408	\$ 57,069	\$ 73,866	\$ 148,252	\$ 933,761	\$ 1,094,201

**LINCOLN CHARTER TOWNSHIP**

**DEBT SERVICE FUNDS**

**COMBINING BALANCE SHEETS**

**March 31, 2005**

	<u>Fire Station</u>	<u>Police Installment</u>	<u>Library Bond</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 147,091	\$ 4,036	\$ 297,072	\$ 448,199
Taxes receivable	6,134	2,859	12,556	21,549
<b>TOTAL ASSETS</b>	<b>\$ 153,225</b>	<b>\$ 6,895</b>	<b>\$ 309,628</b>	<b>\$ 469,748</b>

**FUND EQUITY**

<b>FUND EQUITY</b>				
Fund Balances	\$ 153,225	\$ 6,895	\$ 309,628	\$ 469,748

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## DEBT SERVICE FUNDS

### COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year ended March 31, 2005

	<u>Fire Station</u>	<u>Police Installment</u>	<u>Library Bond</u>	<u>Total</u>
<b>REVENUES:</b>				
Tax sources	\$ 120,297	\$ 41,358	\$ 255,053	\$ 416,708
Interest	408	41	159	608
<b>TOTAL REVENUES</b>	<u>120,705</u>	<u>41,399</u>	<u>255,212</u>	<u>417,316</u>
<b>EXPENDITURES:</b>				
Municipal purchase contract payments	-	37,000	-	37,000
Bond principal payments	75,000	-	125,000	200,000
Interest	44,575	2,177	96,253	143,005
Other	350	-	300	650
<b>TOTAL EXPENDITURES</b>	<u>119,925</u>	<u>39,177</u>	<u>221,553</u>	<u>380,655</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	780	2,222	33,659	36,661
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>152,445</u>	<u>4,673</u>	<u>275,969</u>	<u>433,087</u>
<b>FUND BALANCES, END OF YEAR</b>	\$ <u>153,225</u>	\$ <u>6,895</u>	\$ <u>309,628</u>	\$ <u>469,748</u>

See accompanying notes to basic financial statements.

**LINCOLN CHARTER TOWNSHIP**

**CAPITAL PROJECTS FUNDS**

**COMBINING BALANCE SHEETS**

**March 31, 2005**

	<u>Parks Capital Improve.</u>	<u>Township Improve.</u>	<u>Police Capital Improve.</u>	<u>Cleveland Ave. Special Assess.</u>	<u>Glenlord Special Assess.</u>	<u>Total</u>
<b><u>ASSETS</u></b>						
Cash and equivalents	\$ 24,341	\$ 503,137	\$ 8,142	\$ -	\$ -	\$ 535,620
Special assessment rec.	-	-	-	4,572	5,119	9,691
Due from other funds	-	9,154	-	-	-	9,154
	<u>\$ 24,341</u>	<u>\$ 512,291</u>	<u>\$ 8,142</u>	<u>\$ 4,572</u>	<u>\$ 5,119</u>	<u>\$ 554,465</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 2,590	\$ -	\$ -	\$ -	\$ -	\$ 2,590
Due to other funds	-	397	-	4,035	5,119	9,551
Deferred revenue	-	-	-	4,478	3,880	8,358
	<u>2,590</u>	<u>397</u>	<u>-</u>	<u>8,513</u>	<u>8,999</u>	<u>20,499</u>
<b>FUND EQUITY:</b>						
Fund balances	<u>21,751</u>	<u>511,894</u>	<u>8,142</u>	<u>(3,941)</u>	<u>(3,880)</u>	<u>533,966</u>
	<u>\$ 24,341</u>	<u>\$ 512,291</u>	<u>\$ 8,142</u>	<u>\$ 4,572</u>	<u>\$ 5,119</u>	<u>\$ 554,465</u>

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## CAPITAL PROJECTS FUNDS

### COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

Year ended March 31, 2005

	<u>Parks Capital Improvement</u>		<u>Township Improvement</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<b>REVENUES:</b>				
Special assessments	\$ -	\$ -	\$ -	\$ -
Donations	7,500	750	-	-
Interest	100	128	5,000	397
<b>TOTAL REVENUES</b>	<b>7,600</b>	<b>878</b>	<b>5,000</b>	<b>397</b>
<b>EXPENDITURES:</b>				
Capital projects	77,600	69,807	650,919	458,425
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(70,000)</b>	<b>(68,929)</b>	<b>(645,919)</b>	<b>(458,028)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from loan	-	-	185,000	185,000
Operating transfers in	70,000	70,000	75,000	75,000
Operating transfers out	-	-	(5,000)	(397)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>70,000</b>	<b>70,000</b>	<b>255,000</b>	<b>259,603</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>-</b>	<b>1,071</b>	<b>(390,919)</b>	<b>(198,425)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>20,680</b>	<b>20,680</b>	<b>710,319</b>	<b>710,319</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 20,680</b>	<b>\$ 21,751</b>	<b>\$ 319,400</b>	<b>\$ 511,894</b>

See accompanying notes to basic financial statements.

Police Capital Improvement		Cleveland Ave. Special Assessment		Glenlord Sidewalk Special Assessment		Totals	
<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
\$ -	\$ -	\$ -	\$ 2,239	\$ -	\$ 22,155	\$ -	\$ 24,394
-	-	-	-	-	-	7,500	750
40	28	-	-	-	-	5,140	553
40	28	-	2,239	-	22,155	12,640	25,697
63,000	55,346	-	-	-	26,035	791,519	609,613
(62,960)	(55,318)	-	2,239	-	(3,880)	(778,879)	(583,916)
-	-	-	-	-	-	185,000	185,000
55,000	55,000	-	-	-	-	200,000	200,000
-	-	-	-	-	-	(5,000)	(397)
55,000	55,000	-	-	-	-	380,000	384,603
(7,960)	(318)	-	2,239	-	(3,880)	(398,879)	(199,313)
8,460	8,460	(6,180)	(6,180)	-	-	733,279	733,279
\$ 500	\$ 8,142	\$ (6,180)	\$ (3,941)	\$ -	\$ (3,880)	334,400	\$ 533,966

# LINCOLN CHARTER TOWNSHIP

## GENERAL FUND

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year ended March 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>GENERAL GOVERNMENT:</b>			
Township trustees:			
Wages	\$ 16,810	\$ 16,806	\$ (4)
Employee benefits	7,870	7,255	(615)
	24,680	24,061	(619)
Supervisor:			
Wages	31,310	31,655	345
Employee benefits	18,370	13,939	(4,431)
Supplies and postage	400	239	(161)
Contractual services	300	200	(100)
Vehicle and mileage	1,000	694	(306)
Repairs and maintenance	1,500	328	(1,172)
Conferences and workshops	2,000	2,966	966
Miscellaneous	800	587	(213)
	55,680	50,608	(5,072)
Assessor:			
Wages	82,180	74,922	(7,258)
Employee benefits	29,350	28,623	(727)
Supplies and postage	7,500	8,449	949
Contractual services	3,000	2,476	(524)
Vehicle and mileage	1,200	182	(1,018)
Legal and professional fees	1,000	2,354	1,354
Conferences and workshops	6,000	2,351	(3,649)
Capital outlay	600	-	(600)
Miscellaneous	2,805	900	(1,905)
	133,635	120,257	(13,378)
Clerk:			
Wages	60,860	60,862	2
Employee benefits	30,050	30,059	9
Supplies and postage	2,530	962	(1,568)
Contractual services	1,250	1,249	(1)
Vehicle and mileage	40	56	16
Conferences and workshops	3,050	3,123	73
Miscellaneous	220	170	(50)
	98,000	96,481	(1,519)

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## GENERAL FUND

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - CONTINUED

Year ended March 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>GENERAL GOVERNMENT - CONTINUED:</b>			
Treasurer:			
Wages	\$ 39,180	\$ 37,395	\$ (1,785)
Employee benefits	16,735	15,528	(1,207)
Computer service	20,860	19,476	(1,384)
Legal and professional	1,000	-	(1,000)
Contractual services	400	347	(53)
Supplies and postage	6,150	6,669	519
Vehicle and mileage	1,000	843	(157)
Conferences and workshops	2,000	2,104	104
Miscellaneous	2,475	2,546	71
	<u>89,800</u>	<u>84,908</u>	<u>(4,892)</u>
Elections:			
Wages	28,250	27,973	(277)
Employee benefits	1,855	1,119	(736)
Contractual services	3,650	3,340	(310)
Supplies and postage	9,350	5,458	(3,892)
Conferences and workshops	100	54	(46)
Miscellaneous	3,290	3,170	(120)
Capital outlay	-	1,015	1,015
	<u>46,495</u>	<u>42,129</u>	<u>(4,366)</u>
Board of Review:			
Wages	1,150	850	(300)
Employee benefits	90	65	(25)
Conferences and workshops	150	-	(150)
Miscellaneous	390	624	234
	<u>1,780</u>	<u>1,539</u>	<u>(241)</u>

See accompanying notes to basic financial statements.



# LINCOLN CHARTER TOWNSHIP

## GENERAL FUND

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - CONTINUED

Year ended March 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>GENERAL GOVERNMENT - CONCLUDED:</b>			
General and Administrative:			
Wages	\$ 47,925	\$ 48,755	\$ 830
Employee benefits	11,215	12,016	801
Supplies and postage	13,730	11,203	(2,527)
Contractual services	14,400	12,372	(2,028)
Repairs and maintenance	4,055	3,003	(1,052)
Conferences and workshops	2,100	1,830	(270)
Legal and professional fees	56,700	52,974	(3,726)
Insurance	33,430	33,393	(37)
Community promotions	25,035	25,065	30
Telephone	7,200	7,553	353
Printing and publishing	26,800	26,934	134
Dues and subscriptions	3,760	4,959	1,199
Capital outlay	1,200	-	(1,200)
Miscellaneous	-	211	211
	<u>247,550</u>	<u>240,268</u>	<u>(7,282)</u>
Township Maintenance:			
Wages	23,655	21,622	(2,033)
Employee benefits	16,905	11,625	(5,280)
Supplies and postage	2,995	1,824	(1,171)
Contractual services	840	199	(641)
Vehicle and mileage	1,460	973	(487)
Utilities	5,830	5,362	(468)
Repairs and maintenance	16,665	14,630	(2,035)
Capital outlay	240	1,921	1,681
	<u>68,590</u>	<u>58,156</u>	<u>(10,434)</u>
Planning and Zoning:			
Wages	13,140	8,305	(4,835)
Employee benefits	1,005	635	(370)
Office supplies and postage	50	51	1
Contractual services	8,200	5,991	(2,209)
Legal fees	10,000	13,238	3,238
Printing and publishing	4,000	7,868	3,868
Conferences and workshops	500	423	(77)
Miscellaneous	375	340	(35)
	<u>37,270</u>	<u>36,851</u>	<u>(419)</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>803,480</u>	<u>755,258</u>	<u>(48,222)</u>

See accompanying notes to basic financial statements.

# LINCOLN CHARTER TOWNSHIP

## GENERAL FUND

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - CONCLUDED

Year ended March 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>PUBLIC SAFETY:</b>			
Fire Department:			
Wages	\$ 55,112	\$ 55,775	\$ 663
Employee benefits	9,898	9,323	(575)
Operating supplies	22,250	18,473	(3,777)
Contractual services	500	1,023	523
Insurance	18,600	21,749	3,149
Professional fees	-	3,677	3,677
Repairs and maintenance	12,220	12,166	(54)
Conferences and workshops	1000	16	(984)
Training and instruction	2,700	360	(2,340)
Utilities	9,800	12,315	2,515
Office supplies and postage	700	159	(541)
Vehicle and mileage	1,000	1,573	573
Capital outlay	80,960	25,477	(55,483)
Miscellaneous	360	617	257
<b>TOTAL PUBLIC SAFETY</b>	<u>215,100</u>	<u>162,703</u>	<u>(52,397)</u>
<b>HIGHWAYS AND STREETS:</b>			
Drains	28,980	28,386	(594)
Roads and bridges	35,200	33,047	(2,153)
Street lighting	43,200	38,254	(4,946)
<b>TOTAL HIGHWAYS AND STREETS</b>	<u>107,380</u>	<u>99,687</u>	<u>(7,693)</u>
<b>SANITATION AND HEALTH:</b>			
Ambulance subsidy	80,225	80,224	(1)
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,206,185</u>	<u>\$ 1,097,872</u>	<u>\$ (108,313)</u>

See accompanying notes to basic financial statements.

**LINCOLN CHARTER TOWNSHIP**  
**LONG-TERM DEBT - 1997 UNLIMITED TAX GENERAL**  
**OBLIGATION FIRE STATION BONDS**  
**SCHEDULE OF PRINCIPAL AND INTEREST REQUIREMENTS**

March 31, 2005

<u>Year Ending</u> <u>March 31,</u>	<u>Principal</u> <u>May 1</u>	<u>Interest Requirements</u>		<u>Total</u> <u>Interest</u>	<u>Total</u> <u>Requirements</u>
		<u>May 1</u>	<u>November 1</u>		
2006	\$ 75,000	\$ 21,425	\$ 19,662	\$ 41,087	\$ 116,087
2007	75,000	19,662	17,862	37,524	112,524
2008	100,000	17,862	15,412	33,274	133,274
2009	100,000	15,412	12,913	28,325	128,325
2010	100,000	12,913	10,413	23,326	123,326
2011	125,000	10,413	7,225	17,638	142,638
2012	125,000	7,225	3,975	11,200	136,200
2013	150,000	3,975	-	3,975	153,975
	<u>\$ 850,000</u>	<u>\$ 108,887</u>	<u>\$ 87,462</u>	<u>\$ 196,349</u>	<u>\$ 1,046,349</u>

**LINCOLN CHARTER TOWNSHIP**  
**LONG-TERM DEBT - 1999 UNLIMITED TAX GENERAL**  
**OBLIGATION LIBRARY BONDS**  
**SCHEDULE OF PRINCIPAL AND INTEREST REQUIREMENTS**

March 31, 2005

<u>Year Ending</u> <u>March 31,</u>	<u>Principal</u> <u>May 1</u>	<u>Interest Requirements</u>		<u>Total</u> <u>Interest</u>	<u>Total</u> <u>Requirements</u>
		<u>May 1</u>	<u>November 1</u>		
2006	\$ 150,000	\$ 46,838	\$ 43,743	\$ 90,581	\$ 240,581
2007	150,000	43,744	40,744	84,488	234,488
2008	175,000	40,744	37,156	77,900	252,900
2009	200,000	37,156	33,006	70,162	270,162
2010	200,000	33,006	28,806	61,812	261,812
2011	225,000	28,806	23,969	52,775	277,775
2012	250,000	23,969	18,594	42,563	292,563
2013	250,000	18,594	13,281	31,875	281,875
2014	300,000	13,281	6,906	20,187	320,187
2015	325,000	6,906	-	6,906	331,906
	<u>\$ 2,225,000</u>	<u>\$ 293,044</u>	<u>\$ 246,205</u>	<u>\$ 539,249</u>	<u>\$ 2,764,249</u>